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STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
BOARD OF OIL, GAS AND MINING  
4241 State Office Building  
Salt Lake City, Utah 84114

\* MINED LANDS RECLAMATION CONTRACT \*

THIS CONTRACT, made and entered into this 31<sup>st</sup> day of January, 1985, between Plateau Resources Limited, a Utah corporation ("Plateau"), and the Board of Oil, Gas and Mining, duly authorized and existing by virtue of the laws of the State of Utah (the "Board").

WITNESSETH:

WHEREAS, Plateau is the owner and is in possession of certain lands in Garfield County, Utah, more particularly described in Exhibit "A" attached hereto;

WHEREAS, Plateau did on the 25th day of January, 1979, file with the Division of Oil, Gas, and Mining (the "Division"), a "Notice of Intention to Commence Mining Operations" and a "Mining and Reclamation Plan" to secure authorization to engage, or continue to engage, in uranium processing operations in the State of Utah, under the terms and provisions of the Mined Land Reclamation Act, Sections 40-8-1, et seq., UCA, 1953;

WHEREAS, Plateau did, on July 27, 1979, duly execute with the Board a "Mined Lands Reclamation Contract," whereby Plateau promised and agreed to reclaim certain affected lands in accordance with an approved mining and reclamation plan, the Mined Land Reclamation Act (the "Act") and all applicable rules

and regulations, and Plateau further agreed to provide a certain corporate guarantee in lieu of a bond;

WHEREAS, Plateau has filed an amendment to its reclamation plan with both the NRC and the Division in consideration of Plateau's present and proposed levels of activities;

WHEREAS, Plateau is able and willing to reclaim the above mentioned "lands affected" in accordance with the approved mining and reclamation plan as the same may be amended from time to time, the Act and the rules and regulations adopted in accordance therewith;

WHEREAS, the uranium processing operations conducted by Plateau upon the lands described above are covered by United States Nuclear Regulatory Commission (the "NRC") License No. SUA-1371, which license and applicable federal laws and regulations require that Plateau decommission its facility and reclaim such lands on the completion of operations and require Plateau to provide surety in form and amount acceptable to the NRC to ensure that funds will be available for decommissioning and reclamation;

WHEREAS, the requirements for reclamation and decommissioning under such federal laws and regulations are more comprehensive than the requirements under the Act and the regulations promulgated thereunder;

WHEREAS, the NRC reviews Plateau's surety mechanism annually and adjusts the amount of the surety to recognize any increases or decreases resulting from inflation, changes in engineering plans, activities performed, and any other conditions affecting costs;

WHEREAS, the surety provided to the NRC is now in the form of an irrevocable letter of credit in the amount of \$1,759,000, issued by the National Bank of Detroit, expiring April 13, 1985, a copy of which letter of credit is attached hereto as Exhibit B;

WHEREAS, Plateau is able to demonstrate sufficient solvency by having the ability to provide the irrevocable letter of credit to the NRC;

WHEREAS, the Board has considered the factual information and recommendations provided by the staff of the Division as to the magnitude, type and costs of the approved reclamation activities planned for the land affected.

WHEREAS, the Board is cognizant of the nature, extent, duration of operations, the financial status of Plateau, and its capabilities of carrying out the reclamation activities;

NOW, THEREFORE, for and in consideration of the foregoing and the covenants and agreements set forth below, the parties hereto agree as follows:

1. Plateau promises to reclaim the lands affected in accordance with the approved Mining and Reclamation Plan as the same may be amended from time to time with the consent of the NRC and the Division, the Act, and the Rules and Regulations adopted in accordance therewith.
2. Plateau promises to decommission its uranium processing facility and reclaim such lands in accordance with a NRC-approved decommissioning and reclamation plan.
3. Because of the surety arrangement with the NRC, the Board accepts the personal guarantee of Plateau to reclaim the lands affected, and will not require that Plateau provide an additional surety arrangement.



4. The Board and Plateau agree that Plateau will not be required to expend more for reclamation and decommissioning than the amounts identified for such purposes (including contingencies for such purposes) in the NRC-approved reclamation and decommissioning plan as such amounts may be revised annually by the NRC.
5. Plateau agrees that until the lands affected are reclaimed in accordance with an approved mining and reclamation plan, Plateau will not, unless the Board shall otherwise consent, merge or consolidate with any other corporation or entity except Consumers Power Company, or sell, lease, transfer or otherwise dispose of all or substantially all of its assets or businesses to any other person, firm, or corporation.
6. Plateau agrees to provide the Board and the Division with copies of all letters of credit and other forms of surety provided to the NRC.
7. This contract supersedes and replaces the Mined Lands Reclamation Contract dated July 27, 1979.

IN WITNESS WHEREOF, the parties have caused this contract to be executed as of the date first above written.

PLATEAU RESOURCES LIMITED

By Blake O. Fisher  
Blake O. Fisher  
Vice President

BOARD OF OIL, GAS AND MINING

By John M. Barr  
Vice Chairman

STATE OF Michigan )  
 : SS.  
COUNTY OF Jackson )

On the 15th day of January, 1985, personally appeared before me Blake O. Fisher who being by me duly sworn did say that he is the Vice President of Plateau Resources Limited, and that said instrument was signed in behalf of said corporation by authority of its by-laws and said Blake O. Fisher acknowledged to me that said corporation executed the same.

Debra D. Laskovich  
NOTARY PUBLIC  
Residing at: 3838 Perrine Road  
Rives Jct., MI 49277  
Jackson County

My Commission Expires:

February 14, 1987

(2341s)

EXHIBIT A

The Surface Estate only in and to the following described lands situated in Garfield County, Utah:

Township 35 South, Range 11 East, SLM

Section 33: S 1/2 SW 1/4 SE 1/4, SE 1/4 SE 1/4  
Section 34: SW 1/4 SW 1/4, W 1/2 SE 1/4 SW 1/4

Township 36 South, Range 11 East, SLM

Section 3: Lot 4  
Section 4: Lots 1, 2, N 1/2 S 1/2 NE 1/4

Containing 274.76 Acres, more or less.

Subject to easements and rights of way of record, and to mineral reservations of record and surface rights associated therewith.